

## SELF-EMPLOYMENT INCOME WORKSHEET - Sole Proprietor Farm and Other Business

Personal information you provide may be used for secondary purposes [Privacy Law, s. 15.04 (1)(m)].

Tax Year Filing (Do Not Use Before Tax Year 1993)		Case Number	
Case Name	Worker Name	Worker ID	Date Completed

For FARM SELF-EMPLOYMENT, begin with STEP I (use **Schedule F, Form 1040**)

For OTHER SELF-EMPLOYMENT, skip STEP I and begin with STEP II

### STEP I: INCOME FROM FARM OPERATIONS

From Schedule F,  
Form 1040

(1) Enter net profit or loss	from line 36	(1) \$
(2) Add depreciation back in	from line 16	(2) + \$
(3) Equals IM-Income from farm operations	combine (1) and (2)	(3) = \$

### STEP II: INCOME FROM OTHER SELF-EMPLOYMENT OPERATIONS.

If there is self-employment income from other than farm, complete STEP II.  
If not, go on to STEP III.

From Schedule C,  
Form 1040

(1) Enter net profit or loss	from line 31	(1) \$
(2) Add depletion back in	from line 12	(2) + \$
(3) Add depreciation back in	from line 13	(3) + \$
(4) Add amortization back in	if specified on line 27	(4) + \$
(5) Add loss carryover back in	if specified on line 27	(5) + \$
(6) Equals IM-Income from other self-employment operations	combine STEP II (1) through (5)	(6) = \$

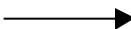
### STEP III: CAPITAL AND ORDINARY GAINS

If there are capital or ordinary gains or losses, complete STEP III.  
If not, go to STEP IV.

From Form 4797

(1) Enter long-term capital gain (do not enter loss)*	from line 7h (only if gain)	(1) \$
(2) Add ordinary gain, OR subtract ordinary loss	from line 20	(2) + \$
(3) Equals total sole-proprietary gain or (loss)	combine (1) and (2)	(3) = \$

\* Losses should be indicated on the tax form by enclosing the amount in parentheses, e.g., (\$100.00) indicates a \$100 loss rather than a gain.

**MORE** 

**STEP IV: RENTAL AND ROYALTY INCOME**

If there is any rental or royalty income, complete STEP IV.

If not, go to STEP V.

From Schedule E,  
Form 1040

(1) Enter total rental and royalty income	from line 26	(1) \$
(2) Add depreciation and depletion back in	from line 20	(2) + \$
(3) Equals IM-Income rental and royalties	combine (1) and (2)	(3) = \$
(4) Subtract any amount identified as unearned*	enter amount of unearned	(4) - \$
(5) Equals earned IM-Income from rental	combine (3) and (4)	(5) = \$

**STEP V: TOTAL INCOMES FROM ABOVE**

To total incomes from above, complete STEP V using results from STEP I through STEP IV.

(1) Enter IM-Income from farm operations	from STEP I (3)	(1) \$
(2) Add IM-Income from other self-employment operations (or subtract loss)	from STEP II (6)	(2) + \$
(3) Add total sole proprietary gains (or subtract loss)	from STEP III (3)	(3) + \$
(4) Add earned IM-Income from rental (or subtract loss)	from STEP IV (5)	(4) + \$
(5) Equals total sole-proprietary earned IM-Income	combine (1) through (4)	(5) = \$

\* All royalty income is unearned. Rental income is also unearned when the participant works less than 20 hours per week on the average. The worker must ask the client about income on Schedule E (Form 1040) to make this determination. Any unearned income [shown on STEP IV, line (4)] must be entered as such on the combined application form.

**NOTE: THE TOTAL IM-INCOME RECORDED HERE ON STEP V, LINE (5), [and/or STEP IV, line (4)], MUST BE DIVIDED BY THE NUMBER OF MONTHS THE BUSINESS WAS "IN OPERATION" TO ARRIVE AT THE MONTHLY AVERAGE.**